



## SUMMARY

### STORAGE AND HANDLING TARIFFS FOR WHEAT 2021/2022 (AND FEED GRADE BARLEY WHERE APPLICABLE)

Storage options and tariffs for Wheat and Feed Grade Barley: 01 October 2021 to 30 September 2022	Handling	
	R/tonne VAT excl.	R/Tonne VAT incl.
	R          63.44	R          72.96
	Storage tariff	
	R/tonne VAT excl.	R/Tonne VAT incl.
	R          1.17	R          1.34
	Season tariff	
	R/tonne VAT excl.	R/Tonne VAT incl.
	R          122.43	R          140.79

Carry-over stock <b>1 October 2021</b>	Ceiling days = 105 days x storage tariff	
	R/Tonne/Day VAT excl.	R/Tonne/Day VAT incl.
	R          1.17	R          1.34

Deferred storage	Client has until 31 March 2022 to select a storage option
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<b>Sundry/Administration cost summary (applicable to all commodities)</b>		
<b>2</b>	<b>Administrative tariff (01/05/2021 – 30/04/2022)</b>	
	Amending instructions	R4.84 /Tonne/ R92.21 minimum per transaction (VAT excluded) R5.57 /Tonne/ R106.04 minimum per transaction (VAT included)
	Grain transfer/consolidation	R6.79 /Tonne R119.00 minimum per transaction (VAT excluded) R7.81 /Tonne/ R136.85 minimum per transaction (VAT included)
	Certificate conversion to other tariff options/Certificate – cost of issuing	R4.21 /Tonne/ R92.21 minimum per transaction (VAT excluded) R4.84 /Tonne/ R106.04 minimum per transaction (VAT included)
	Facilitation transactions	R7.37 / Tonne up to and including 50 000 tonnes (VAT excluded) R8.48 (VAT included) R5.90 / Tonne > 50 000 tonne to 75 000 tonnes (VAT excluded) R6.78(VAT included) R4.99 /Tonne > 75 000 tonne to 100 000 tonnes (VAT excluded) R5.74 (VAT included) R4.07/Tonne > 100 000 tonne plus (VAT excluded) R4.69 (VAT included)
<b>3</b>	<b>Sundry Tariffs (01/05/2021– 30/04/2022)</b>	
	Weighing	R5.34 / Tonne (VAT excluded) R6.14 /Tonne (VAT included) Minimum cost/load R69.23 (VAT excluded) R79.62 (VAT included)
	Bagging cost (bags excluded)	R140.00 / Tonne (VAT excluded) R161.00 /Tonne (VAT included)



## **INFORMATION CIRCULAR AND TARIFF NOTICE**

### **KLERKSDORP**

### **INFORMATION CIRCULAR TO CLIENTS AND OPERATIONAL PERSONNEL**

### **2021/2022 STORAGE AND HANDLING TARIFFS FOR WHEAT**

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## NOTICE

Senwes Limited (Senwes) hereby gives notice of the storage options and tariffs which will apply for the 2022/2022 season in respect of wheat and, where applicable, in respect of feed grade barley. It will be applicable in respect of domestic winter grain. Imported winter grain will be dealt with on a separate contract basis and this storage and handling tariffs will not apply in respect thereof.

This information circular and notice, read in conjunction with the standard storage conditions of Senwes (available at silos), form the total agreement in terms of which you will make use of the storage facilities. Should any terms and conditions contained herein contradict the standard terms applicable to the storage of products, the provisions of this notice shall prevail. Any options selected in terms hereof shall only apply in respect of the applicable season.

Nothing contained herein shall be interpreted that the Grain Silo Owner is obliged to accept any or all products offered by the Grain Silo User for storage thereof. Acceptance of product for storage purposes shall at all relevant times be at the sole discretion of the Grain Silo Owner, who shall exercise its discretion on the basis of, inter alia, its own requirements, the availability of storage space or the functionality of a specific silo.

In agriculture, as you know, labour, electricity, diesel, maintenance, and security cost components annually increase more than inflation.

**\* Statutory levies will be charged as required in terms of legislation.**

### **PLEASE NOTE: VAT IS PAYABLE ON ALL TARIFFS**

#### **1. STORAGE OPTIONS AND TARIFFS**

##### **1.1. General day storage:**

These are the standard storage tariffs which will apply should you not select any of the other storage options.

##### **1.1.1. Handling tariffs per tonne for receiving and out loading are as follows:**

<b>Product</b>	<b>Date</b>	<b>Rand / Tonne</b>
Wheat & Feed grade barley	1 Oct. 2021 – 30 Sept. 2022	R63.44 (Excl VAT) R72.96 (Incl VAT)

##### **1.1.2 Day storage tariff. Tariff per tonne per day is as follows:**

###### **a. Wheat and feed grade barley**

<b>Period</b>	<b>Rand/ Tonne / day</b>
1 Oct. 2021 to 30 Sept. 2022	R1.17 (Excl VAT) R1.34 (Incl VAT)

## 1.2 Season tariff

- 1.2.1 Clients making use of this option is obliged to pay a single amount in advance in respect of all storage costs relating to a specified tonnage, as specified by the Client, which costs shall represent the total handling and storage costs in respect of the specified tonnage for the period 1 October 2021 to 30 September 2022.
- 1.2.2 This season tariff option is subject to the following additional conditions:
- 1.2.3 In order to make use of this option the Client must exercise its election in writing at the silo or at Senwes' head office. Payment of the single amount must be effected within 30 days of date of monthly statement. The tariffs for the 2021/2022 season in respect of handling costs is R63.44 per tonne (excl VAT) R72.96 (incl VAT), and in respect of storage costs R122.43 per tonne (excl VAT), R140.79 (incl VAT).
- 1.2.4 Should the Client select this option; it **will not be transferable** to any other party.
- 1.2.5 Should stock be transferred from a buyer's folio to the buyer's financing folio, the option will be transferable. When stock is transferred from a day tariff to a season tariff, the tariffs in respect of both options will apply as stipulated in the tariff document.
- 1.2.6 Should the Client sell or outload a portion of or the total quantity of the grain stored in terms of this option prior to the expiry of the time period set out in clause 1.2.1, the Client will not be credited for the unexpired period.
- 1.2.7 This option shall apply for grain held on a stock account only. Should a Client holding grain by virtue of a silo certificate (Safex or Senwes) make use of the option, the silo certificate will have to be cancelled and the tonnage of grain must be transferred to a stock account. The administrative costs for the transfer will amount to R4.21 (Excl VAT), R4.84 (Incl VAT) per tonne, subject to a minimum amount of R92.21 (Excl VAT) R106.04 (Incl VAT) per transaction.
- 1.2.8 Senwes reserves the right to amend the silos where the option is applicable at any time, which decision shall be taken based on business considerations at the discretion of Senwes.

## 1.3 Senwes silo certificates (Wheat only)

- 1.3.1 The Senwes general storage tariffs as set out in paragraph 1.1 are automatically charged by the system from the date upon which the silo certificate is issued until the date upon which the certificate is tendered at Senwes.
- 1.3.2 When a Senwes silo certificate is issued, the silo costs accumulated in accordance with the silo cost option which applied until such date must be paid immediately, prior to such a certificate being issued.
- 1.3.3 The Client is entitled to, in collaboration with Senwes, convert the certificate tendered to Client storage and to change the storage option to another appropriate tariff option. The administrative costs for such a conversion will amount to R4.21 (Excl VAT), R4.84 (Incl VAT) per tonne, subject to a minimum amount of R92.21, (Excl VAT) R106.04 (Incl VAT) per transaction.
- 1.3.4 No grain will be out loaded until all accumulated costs have been paid.

#### 1.4 Safex storage tariff (Wheat only)

The tariffs applicable to this option shall apply in respect of all grain held in terms of a Safex silo certificate, subject to the following additional terms and conditions:

- 1.4.1 The Safex tariff as published by the JSE is automatically levied by the system from the date upon which the silo certificate is issued until the date upon which the certificate is tendered at Senwes.
- 1.4.2 Should an application be lodged for a Safex silo certificate to be issued, the accumulated silo costs, in accordance with the silo cost option which applied until the relevant date, must be paid before the certificate will be issued.
- 1.4.3 The Client shall be entitled to, in collaboration with Senwes, convert the Safex silo certificate to Client storage and to change its storage option to another appropriate storage option at any time. The administrative costs for such a conversion will amount to R4.21 (Excl VAT), R4.84 (Incl VAT) per tonne, subject to a minimum amount of R92.21 (Excl VAT) and R106.04 (Incl VAT) per transaction.
- 1.4.4 No grain shall be out loaded before payment of all outstanding accumulated costs.

#### 2. DEFERRED STORAGE (First delivery only)

2.1. Clients have until 31 March 2022 to select a storage option. During the period until 31 March 2022 the debiting of handling and storage costs will be deferred, unless the provisions of a specific storage option determines otherwise.

#### 2.2. **Sales on or before: 31 March 2022**

Should grain, delivered in terms of the deferred storage option, be sold on or before 31 March 2022, the handling and accumulated storage costs as at date of the transaction shall be calculated by Senwes and must be paid before grain will be out loaded or before a Safex/silo certificate (if requested by the Client) will be issued and delivered.

#### 2.3. **Sales after 31 March 2022**

2.3.1. Should grain, delivered in terms of the deferred storage option, be sold after 31 March 2022 and after invoicing has taken place, the debited costs as at date of the transaction must be paid by the Client before such grain will be outloaded or before a Safex/silo certificate (if requested by the Client) will be issued and delivered.

**2.4 Should the Client neglect to select a storage option before 31 March 2022, the season tariff shall automatically apply. Payment must then be made within 30 days of date of statement.**

#### 3. CARRY-OVER STOCK (Wheat only)

3.1

Product	Date of transfer
Wheat	1 Oct 2021

The tariff applicable to all grain stock carried over from the season in which it was delivered and stored in Senwes operated silos on the above carry-over date, shall be the day storage tariff as set out in paragraph 1.1.

3.2 Day tariffs is payable monthly until the date of out loading or until the ceiling of 105 days x storage tariff is reached, whichever may occur first.

3.3 Transfer of 2021/2022 wheat grades still stored in Senwes operated silos on 30 September 2021 will be done according to physical grades currently stored in silos, so that grade allocation will fit in with the latest regulation published on 01 October 2021.

#### 4. **RECEIPTS**

##### 4.1 **Surplus moisture (more than 13%)**

The delivered grain mass shall be decreased to the following moisture percentages upon delivery, by using the standard moisture formula:

Product	Moisture content dry
Wheat/ Feed grade barley	12.5%

##### 4.2 **Wheat will be received at the following silos:**

Allanridge	✓Hartswater	✓Magogong	Migdol
Arlington	Heilbron	Makwassie	Theunissen
Bloemfontein	Hennenman	Mooigelee	Tierfontein
Bloemhof	Heuningspruit	Oberholzer	Van Tonder
Bothaville	Hoogte	Odendaalsrus	Ventersdorp
Brandfort	Hoopstad	Petrusburg	Vierfontein
Buckingham	✓Jan Kempdorp	Potchefstroom	Viljoenskroon
Bultfontein	Kingswood	Protespan	Welgelee
Christiana	Koppies	Raathsvlei	Wesselsbron
De Brug	Kroonstad	Rooiwal	Willemsrust
Geneva	Leeudoringstad	Steynsrust	Winburg
Hartbeesfontein	Losdoorns	Strydpoort	Wolwehoek

- ✓Feed grade barley intake points
- Producers must ensure that the silo at which they wish to deliver wheat is a registered SAFEX silo.

#### 5. **GRAIN COST ACCOUNTS (ACCOUNT 400)**

5.1 All costs are payable 30 days after the monthly statement date or as agreed in writing with Senwes. If the Client fails to make timeous payment, interest will be charged in respect of the outstanding amounts.

Interest is charged at ABSA Bank's prevailing prime lending rate + 2%, as applicable from time to time, calculated monthly from the date the amount was payable until the date of final payment. A certificate indicating the interest rate/s, issued under

the hand of an ABSA manager, whose appointment and authority need not be proven, shall constitute prima facie proof of the interest rate/s.

- 5.2 The withdrawal and transfer of grain from a Client's storage account shall only be allowed and silo and Safex certificates shall only be issued once the account is paid in full. However, Senwes may allow such withdrawal or issue certificates at its discretion should sufficient grain remain in stock to serve as security (lien) for Senwes' outstanding account.
- 5.3 Sundry costs such as levies, drying and cleaning costs, etcetera shall also be debited against Account 400.
- 5.4 A certificate issued by a manager of Senwes, whose appointment and authority need not be proven setting out the amount / amounts due by the Client to Senwes, will serve as prima facie proof of such amounts.

**6. WHEAT DRYING AND CLEANING TARIFFS (Wheat only)**

- 6.1 The moisture percentages of grain are determined by means of an industry acceptable standard hydrometer, calibrated in accordance with the procedures and prescriptions of the manufacturer.
- 6.2 Grain which is not artificially dried will only be received should the following moisture percentages not be exceeded:

Product	Moisture content dry
Wheat	13%

- 6.3. Senwes, at its sole discretion, may accept grain with higher moisture content at silos where drying facilities are available from time to time. The grain will be dried at the cost of the Client, subject to the appropriate mass adjustment for surplus moisture. More information regarding the availability and requirements in respect of the drying facilities is available at the silo.

**Applicable Drying tariff:**

<b>Wheat receipt:</b>	<b>01 October 2021</b>
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Moisture %	VAT excluded	VAT included
13.1 - 14	No cost	-
14.1 - 15	R 55.78	R 64.15
15.1 - 16	R 155.00	R 178.25
*16.1 - 17	R 175.00	R 201.25
*17.1 - 18	R 192.50	R 221.38

**\* Only available in exceptional cases and at the discretion of the silo manager taking into account operating conditions and capacity.**



6.4 After due consideration Senwes decided not to charge drying costs in respect of wheat with a moisture content of up to 14%, restricted to silos where capacity and aeration facilities are available. Contact your silo manager for further information.

**All wheat with a moisture percentage of more than 13.0% to be dried, will only be available 15 working days after delivery, should dry wheat be available.**

**6.5 REMOVAL OF HARMFUL SEEDS**

6.5.1. As a result of legislation limiting the receipt, handling and storage of harmful seeds, as well as the time-consuming action to remove harmful seeds from wheat, removal of harmful seeds from wheat will no longer be offered at the silos.

**6.6 REMOVAL OF EXCESS SCREENINGS**

Screenings means all materials that pass through the standard sieve as defined in the regulations. Although the regulation stipulates that Super Grade and Grade 1 to 3 wheat screenings are limited to 3%, Senwes allows delivery up to 6% **with a mass adjustment of the full screening percentage (deduction to 0%)**. If the screening percentage exceeds 6%, the grade will move to Class Other.

In the case of Class Other Wheat (BKA), the deduction will only be made to 6%, but a screening percentage of more than 15% will not be acceptable for delivery.

For any removal of screening, the following screening cost will be recovered, (Class Other Wheat's screening cost / cleaning rate only applies if the screening percentage would be more than 6%, but limited to a maximum of 15%):

**Cleaning / removal of screening tariff applicable as follow:**

<b>Wheat receipt:</b>	<b>01 October 2021</b>
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Screening %	VAT excluded	VAT included
3.1	R 55.00	R 63.25
*6.1 – 8.0	R 124.45	R 143.12
*8.1 – 10.0	R 204.97	R 235.72
*10.1 – 12.0	R 439.23	R 505.11
*12.1 – 15.0	R 893.10	R 1 027.07

**\* Only available in exceptional cases and at the discretion of the silo manager with reference to BSG, B1, B2 and B3 grades.**

**All screenings that are released remain the property of Senwes.**

## **7. SUNDRY TARIFFS**

Sundry services are regarded as being supportive to Senwes' grain services and are offered where equipment is available and not utilised. The tariffs for the use of sundry services facilities will be as follows, and will apply from 1 May 2021 to 30 April 2022:

### **7.1 Mass measurement (Excl VAT)**

- 7.1.1. Clients wishing to determine the weight of a consignment not to be offloaded will pay R5.34 per tonne (Excl VAT) R6.14 (Incl VAT) on the total mass of the consignment, for the use of the scale, with a minimum cost of R69.23 per consignment (Excl VAT) R79.62 (Incl VAT).
- 7.1.2. Clients and private organisations without Client numbers must pay for the service in cash.
- 7.1.3. Senwes does not accept any legal liability for the accuracy of the mass of such goods being weighed.
- 7.1.4. Senwes shall not grade a consignment of grain being weighed but not delivered to the silo.

### **7.2 Bagging costs**

Bagging costs shall amount to R140.00 (Excl VAT), R161.00 (Incl VAT) per tonne should less than 10 tonnes be bagged. Clients must provide their own bags. Should bagging of more than 10 tonnes be required, please contact the Silo Operations Manager.

## **8. Railing / out loading of grain**

- 8.1 Any Client wishing to outload grain must give at least 10 working days (Saturdays, Sundays and public holidays excluded) prior notice of his intention to withdraw grain. No grain may be out loaded without Senwes's permission.
- 8.2 Wheat which does not correspond with the original grade shall upon delivery to the registered owner be adjusted by means of up or downgrading. Should a lower grade be delivered to the registered owner, an adjusted payment will be made to the registered owner, while the registered owner will, in turn, make an adjusted payment to Senwes should higher grade wheat be delivered to him when he withdraws wheat. The upgrade or downgrade will be limited to one grade better or lower than the grade wheat received upon intake.
- 8.3 The adjusted payment between the registered owner and Senwes on the day of withdrawal will be calculated based on the price difference, with grade B1 wheat as general basis. (The JSE B1 tariff is used as basis).

## **9. REMOVAL OF FOREIGN MATERIALS AND IMPURITIES**

Senwes shall not charge any costs for the removal of foreign materials and impurities this year. Mass adjustments as per the grading provisions will be done.

Since the handling of wheat is done on a clean basis, waste shall remain the property of Senwes.

## 10. ADMINISTRATIVE TARIFFS

### GLOSSARY

“**Facilitation**” means where Senwes deals with the administration of the contract on behalf of the buyer of the grain.

“**Stock transfer**” is when the stock of one person/Client is transferred to a third party.

“**Standard delivery information**” contains, inter alia, information such as the date of delivery, type of grain, vehicle registration number and net mass.

“**Railing**” is any form of transport by which the product is transported from one location to another.

“**Buyers**” are individuals and/or entities buying grain.

“**Producers**” are individuals and/or entities producing grain produce.

### 10.1 **Direct receipts/deliveries at silos for buyers from other producers**

The above can be dealt with in two ways, namely facilitation or direct deliveries on folio numbers.

#### 10.1.1 **DIRECT RECEIPTS**

The transaction will involve the following:

- Before grain is delivered at the silo, the Client intending to have the grain delivered on his folio number must contact head office to ensure that a folio number is available for the delivery of the grain. A folio number will start with the numbers “52\*\*\*\*\*” or “4\*\*\*\*\*”.
- Should a folio number not be available, a number will have to be allocated by Senwes Central Administration subject to receipt of all appropriate signed documentation and application forms. Contact your grain procurer or silo manager.
- The Client, as referred to above, will pay a handling tariff per tonne, which tariff will, inter alia, make provision for limited delivery information being made available to the Client on request.

#### 10.1.2 **FACILITATIONS**

**Administrative costs are set out below:**

- Announced tariff of R7.37/tonne (Excl VAT) R8.48/tonne (Incl VAT) up to and including 50 000 tonnes
- 50 001 tonnes to 75 000 tonnes R5.90/tonne (Excl VAT) R6.78/tonne (Incl VAT)
- 75 001 tonnes to 100 000 tonnes R4.99/tonne (Excl VAT) R5.74/tonne (Incl VAT)
- 100 001 tonnes plus R4.07/tonne (Excl VAT) R4.69/tonne (Incl VAT)

- The buyer is entitled to information regarding stock received, orders, railing and balances.
- Facilitation transactions will be done as follows:
- Senwes opens a purchase agreement which enables the producer to deliver to the silo.
- This purchase contract is linked to a sales contract opened in the buyer's name.
- As soon as deliveries take place, the producer nominates the contract in terms of which deliveries should take place. Should the producer indicate that delivery is to take place on the facilitation contract, the stock will move from the purchase contract to the sales contract.

### **NEW FACILITATIONS IN RESPECT OF DEFERRED STORAGE**

- Senwes has decided to make a new option available to buyers to execute facilitation contracts. This option will enable the buyer to receive the grain on deferred storage.
- The same procedures as in the past will be followed, but the difference will be that the buyer can decide when the grain should be converted to day or year storage – refer to point 2.
- When grain is to be out loaded, Senwes must be advised in writing to ensure that the grain is placed on the correct folio number and to issue the correct instructions.
- The buyer can personally verify deliveries on “My Senwes“ or “One Agri” on a daily basis.
- Drying and cleaning costs are debited against the buyer.
- The buyer's contract will be opened on his delivery number, namely the number which starts with “52\*\*\*\*“ or 4\*\*\*\*.
- As soon as grain is out loaded by rail/road, the stock will be transferred to the “53\*\*\*\*” number.
- Day storage, handling, silo and administration costs are for the account of the buyer.
- Please note that the invoice for the administrative costs will only be furnished to the buyer at the end of the contract, the reason being to verify the actual tonnes delivered.
- Senwes is not liable for any damage in cases where the producer decides not to deliver his grain on a facilitation contract.
- Senwes is not the agent or representative of the Client.

**Should you be interested in a facilitation transaction, the following information will be required by Senwes:**

- Silo where delivery will take place.
- Type of grain to be delivered, e.g., wheat.
- Producer's name and delivery number.
- Tonnage to be delivered.

#### **10.1.3 STOCK BALANCES AND DISPATCH INFORMATION IN RESPECT OF SILO CERTIFICATES/STOCK TRANSFERS FROM ONE CLIENT TO ANOTHER**

- Detail information regarding stock balances and/or dispatches will be available once a month, upon request. This information is also available online on the One Agri application.

#### **10.1.4 STOCK TRANSFERS AND CONSOLIDATION OF STOCK**

- Should a small quantity of the buyer's stock remain on a contract, Senwes may consider the purchasing of such stock at an agreed price.
- Transfer costs in respect of stock from one Client to another will amount to R6.79 (Excl VAT), R7.81 (Incl VAT) per tonne, subject to a minimum of R119.00 (Excl VAT), R136.85 (Incl VAT) per transaction maximum of R1106.30 (VAT excluded) R1272.25 (VAT included). The contract number, buyer code, tonnage and silo must accompany such a request. Both parties must grant **permission** for such a transfer and the person accepting responsibility for the transfer costs must be indicated. Documentation for this purpose is available at your nearest silo.
- Stock balances and/or dispatch information are available as described in point 10.1.3

#### **10.1.5 ELECTRONIC SILO CERTIFICATES**

- The costs of issuing an **electronic silo certificate** are as follows
  - R4.21 (Excl VAT), R4.84 (Incl VAT) per tonne limited to a minimum of R92.21 (Excl VAT), R106.04 (Incl VAT) per silo certificate;
  - ESC Electronic Silo Certificate ("ESC") transaction costs as determined by ESC from time to time.
- Senwes Grainlink Electronic Silo Certificates offer the following benefits, among others, without guaranteeing them:
  - Ownership transfer takes place in a safe environment;
  - Increased efficiency through improved controls, the elimination of the sending of silo certificates to customers as well as the cancellation of certificates;
  - The risk of fraud is reduced;
  - Real-time information is available;
  - The Electronic Silo Certificate Register facilitates record keeping for customers and can even replace existing record keeping of customers.
  - The system is at the disposal and convenience of silo owners and all parties using silo certificates, including brokers, dealers and processors:
  - Costs associated with Senwes Grainlink Electronic Silo certificates: The producer / client is responsible for normal silo costs with regard to handling and storage;

- Client must register their unique PIN number and password with ESC;
- Visit [www.silosert.co.za](http://www.silosert.co.za) for registration and further training.

#### 10.1.6 TRANSPORT ARRANGEMENTS

- **Please note:** Out loading will be done on a strict pre-booking basis. Should buyers not make the necessary booking or should the transport contractor not arrive at the booked time, the instruction involved will either not be dealt with or it will be dealt with after other existing bookings. Please ensure that your transporter is aware of this arrangement in order to avoid any inconvenience and additional costs.
- The following information is required when grain is out loaded and/or ordered:
  - Buyer code, contract number and silo where grain will be loaded;
  - Tonnage and grade;
  - Date of proposed out loading;
  - Particulars of transporter. Fax particulars of transporter (name of transporter, vehicle registration number and identity number of driver) to head office and relevant silo;
  - Rail transport: side-line number and Spoornet account number
  - Withdrawal document to be completed and submitted (Annexure 3).
- **The above particulars must be sent to Karin Lombard or you can contact her at (018) 464 7519. E-mail: [senwesgrainstock@senwes.co.za](mailto:senwesgrainstock@senwes.co.za).**
- An outloading instruction number will be provided to you, after which the appropriate out loading arrangements for the product must be made with the silo concerned.
- Should transport be done by rail, the pre-planning requirements of Spoornet must be borne in mind.
- Loading arrangements must be made with the silo concerned at **least 10 (ten) working** days in advance. An out loading instruction number does not confirm that out loading will be done at the silo without the relevant prior arrangements with the silo in respect of the out loading which will include time of out loading and date thereof. However, Senwes will not be liable should it not be able to outload on the agreed date and should such inability be due to circumstances beyond the control of Senwes.
- Any amendment to instructions will not be dealt with at the silos and must be arranged with Senwes (Grainlink Dispatch), Corne Olivier (018) 464 7226. Email: [senwesgrainstock@senwes.co.za](mailto:senwesgrainstock@senwes.co.za).
- Should it happen that Senwes Grainlink cannot unload a specific grain type or grade at a specific operating point, Senwes Grainlink will be entitled to make the grain or grade available at an alternative operating point where the grain type or grade is available, which will place the customer in the same position as the initial operating point as defined in the JSE directives.
- If grain is under fumigation at an operating point, Senwes Grainlink will notify the market of fumigation and in this case will not be obliged to have the grain in question unloaded at alternative operating points, as well as in the case of a breakage or health risks where the unloading of grain can be stopped immediately.

- Senwes Grainlink intends to publish the specific grade that the customer to which he is entitled to withdraw according to the grading regulations as published in the Government Gazette. Should a customer request specific rating results or additional tests on the specific grain type or grade, it will be referred to an independent accredited institution at the customer's own expense, provided that Senwes Grainlink's official indemnity documents have been signed. Any requests regarding grain quality can be directed by e-mail to [grainquality@senwes.co.za](mailto:grainquality@senwes.co.za).
- No claims in respect of mass shortages will be considered when grain is loaded for road transport at silos.
- All instructions / contracts issued on an ex-silo basis will not cover Senwes Grainlink's transport costs if a grading dispute is declared, as well as in cases where clients would use external or third-party graders during outloading. Also note that no external grader or third-party graders will be allowed to make operational decisions during the outloading of grain at Senwes Grainlink's operating points.
- Should trucks be overloaded accidentally, the driver of the truck will be requested to offload a suitable mass. Senwes accepts no responsibility for any damage or losses should the truck driver refuse to adhere to the above request. No truck will be overloaded – only the legal carrying capacity of the truck will be loaded.
- Where silo certificates or stock transfers between Clients are involved, only the railing documentation which must accompany the truck or rail wagon will be provided.
- Should an instruction in respect of grain, not yet out loaded, be amended upon instruction of the Client, the amendments will be affected at no cost. Should grain have been out loaded already and an amendment is requested, the cost of implementing the amendment will amount to R4.84 / tonne (Excl VAT), R5.57/tonne (Incl VAT), with a minimum of R92.21 (Excl VAT) and R106.04 (Incl VAT).
- Should a request be received to cancel a consignment already loaded in terms of an instruction to be cancelled and to be outloaded, the handling fee will be payable.
- Should a request be to outload after hours, the request must be directed for approval 5 (five) workdays beforehand to the area manager of the specific silo. When approved, the client will be informed via telephone or email. Senwes has no obligation to approve outloading after hours. Confirmation from the client must be in writing / via email where the client accepts the after-hour's tariff for outloading of Wheat, Barley, Maize and Grain sorghum for R16.94/tonne (Excl VAT), R19.48/tonne (Incl. VAT).

### **Load shedding and generator**

- The following only applies to Senwes silos that are equipped with generators which are able to provide the electrical requirements of a relevant silo. Load shedding is a reality that has a significant effect on the industry as well as the overall economy. Until now, Senwes has been able to accommodate clients by using generators at some of its silos.
- However, some of the Senwes silos are further affected by the municipalities which are currently experiencing serious problems with electricity distribution.

- Senwes has no control over the above and this affects the operational activities of silos. It is extremely costly to continuously use generators and Senwes is forced to put the following arrangement in place from 1 May 2021.
- The cost of outloading grain with the use of a generator is R39/tonne. Senwes is prepared to contribute R26/tonne to the cost. If the buyer / owner of the grain is willing to pay the additional R13/tonne for the use of the generator, Senwes can service the loading arrangement during load shedding.
- This is a voluntary participation and if a client does not use the option, the client's loading slot will held over until the electricity supply is restored.
- No loads will be outloaded during load shedding with the help of a generator unless the grain owner has given written permission to do so and has sent or delivered such permission to the relevant silo.
- The grain owner will be invoiced with the generator tariff (where applicable), which is payable within 30 days after the date of invoice.

## 11. **DISPUTE PROCEDURES**

The purpose of this procedure is to assist the buyer to follow the correct steps in respect of a dispute, which will ensure the recovery of his cost in the event of the dispute being successful.

**A Double Tube Probe will be used for sampling a disputed shipment.**

### **GRADING DISPUTES**

A Dispute must be declared per shipment (1 wagon or 1 truck load) and will be dealt with accordingly.

- All disputes must be declared telephonically with the Dispute Officer at Senwes Head Office. Telephonic disputes must be followed up in writing for registration.
- Disputes have to be lodged in writing on the prescribed dispute form (available from the Dispute Clerk) by the client (the contracting party with Senwes). Only registered disputes will be considered.
- The dispute commences on receipt of a completed written dispute declaration accompanied by a completed written grading report. (E-mail)
- Sampling and grading must be conducted in accordance with the regulations for the specific commodity as set out in the applicable Government Gazette, and must be conducted by a qualified grader with the necessary grading certificates in respect of the specific commodity.
- Should an arbitrator investigate the dispute (shipment), the prescribed grading equipment must be available and in working order. If the grading equipment is not available, the Senwes original grading will be accepted as per despatch document.
- Should a consignment (shipment) be offloaded before registration and acceptance thereof, no dispute or liability will vest and the Senwes grading will be accepted as final and correct.
- No dispute can be declared in respect of consignment in respect of which the buyer gave permission for the blending of different grades of commodity.
- Should the buyer - whom has bought the commodity from Senwes - not be the party who raises the dispute (ex buyer has resold, or has transferred ownership of the commodity to a third party – “third party”), Senwes reserves the right to negotiate with the third party in order to resolve the dispute.



## **MASS DISPUTES**

- Weight determination is done on Senwes calibrated and verified weighbridges and is final as loaded and accepted by the transporter. Should the recipient be of the opinion that a physical loss occurred during transit, the loss must be recovered from the transporter involved.

## **ARBITRATOR**

- Senwes can insist on the appointment of an unbiased arbitrator to investigate a disputed Senwes consignment before finalisation of any decisions. The specific Arbitrator and arbitration costs must be agreed to and finalised (in writing) upon registration of the dispute, failing which shall absolve Senwes from any related costs.
- Senwes will only be liable for the costs of the arbitrator if same was agreed to on the basis set out above.

## **TRANSPORT**

- Demurrage cost claims do not apply to public holidays and weekends.

## **RAIL TRANSPORT**

- 24 hours are allowed during which a dispute may be resolved during, and for which period no costs may be claimed. (Transport costs, demurrage costs and grading costs)
- Consignments which are transported by rail and en route for longer than 2 weeks (10 days) will not qualify for insect infestation claims.

## **ROAD TRANSPORT**

- Transport costs resulting from disputes are dealt with separately from grading disputes.
- Should a dispute be resolved in favour of the buyer, transport tariffs for return freights must be negotiated and confirmed between Senwes and the Transporter. Senwes will only negotiate for a market related Transport tariff.
- During normal working hours (07h00 – 17h00 weekdays excluding Saturdays, Sundays and Public holidays), three (3) hours are allowed during which a dispute may be resolved before any costs may be recovered.
- Consignments must be transported within reasonable time taking into consideration the distance between loading (dispatching) point and offloading point. In the event that a load cannot be delivered to its destination within a reasonable time frame, it must be reported to the dispute office. Should the above not be applicable, the consignment will be the responsibility of the buyer and no dispute can be declared.

All disputes have to be send to [ListSenwesGrainDisputes@senwes.co.za](mailto:ListSenwesGrainDisputes@senwes.co.za)

## **Navrae / Enquiries**

### *Administrasie/Administration*

Anika Harris • (018) 464 7484

[Anika.harris@senwes.co.za](mailto:Anika.harris@senwes.co.za)

### *Silosertifikate/Silo certificates*

Teresa Fibiger • (018) 464 7624

[teresa.fibiger@senwes.co.za](mailto:teresa.fibiger@senwes.co.za)

### *Boerevoorraad / Farmer stock*

Melissa Wiese • (018) 464 7893

[melissa.wiese@senwes.co.za](mailto:melissa.wiese@senwes.co.za)

### *Versporing/vrd oordragte*

Karen Lombard • (018) 464 7519

[senwesgrainstock@senwes.co.za](mailto:senwesgrainstock@senwes.co.za)

### *Bestuurder Silobedryf/Manager Operations*

Graham Lottering • (018) 464 7625

[graham.lottering@senwes.co.za](mailto:graham.lottering@senwes.co.za)

## **12. FOOD SAFETY: FOOD HYGIENE**

12.1. Trucks, tractors and trailers/wagons will be inspected during delivery to ensure that glass, oil, diesel, radiator water, pieces of metal; etcetera do not contaminate the grain. Tarpaulins used must also be clean and insect free.

12.2. The Client (producer or supplier) must also ensure and guarantee that:

- Grain is suitable for human and animal consumption.
- All chemical applications comply with the Fertilisers, Animal Feed, Agricultural Substances and Animal Remedies Act 36 of 1947, and the Agricultural Product Standards Act 119 of 1990 or any appropriate legislation and that comprehensive records are kept of any chemical applications in respect of the product delivered.
- The grain is not contaminated by any harmful toxins or poisonous substances which are dangerous or harmful for human and animal consumption.

### **12.3. Client's chemical declaration**

Clients must verify the legal requirements applicable in respect of chemical substances and must comply with the standards as set out therein. Clients shall be obliged to hand in a declaration of compliance before delivery at the **Senwes silo where they want to deliver grain**, in which they declare that they:

- Complied with the requirements.
- Did not administer illegal substances and/or
- Incorrect dosages and/or
- Did not administer legal substances at incorrect times.

**Please see annexure 1 for the full wording.**

For the convenience of the Client, the chemical declaration is made on the back of the Grain Delivery Assignment (GLO) and can be completed per load.

Should the Client neglect to complete the Chemical Declaration, it will be accepted that the Client guarantees that the requirements have been met. It is the duty of the Client to report any non-compliance with or deviation from the above to Senwes in writing.

- 12.4. Senwes shall, at any time and at its discretion, be entitled to investigate compliance with these requirements and to take samples for analysis. Senwes retains the right to refuse consignments should there be any suspicion that regulations and/or legislation have not been complied with.

13. **BLENDING OF GRAIN**

Senwes stores grain of a similar type and quality in bulk in such a manner which leads to the blending of similar types and quality. Clients storing grain at Senwes can only insist for delivery of the same type and quality of grain as described in the appropriate grading regulation and may only withdraw or market grain of a similar quality. Senwes reserves the right to deliver grain of a similar, lower or better quality.

14. **GRAIN DELIVERY INSTRUCTION**

- 14.1. No grain delivery will be accepted without a grain delivery instruction signed and completed by the Client.
- 14.2. Silo personnel may not sign a delivery instruction on behalf of the Client.
- 14.3. Clients may not indicate an offer to sell grain or submit requests in this regard on the grain delivery instruction and Senwes shall not take note thereof. Should Clients wish to sell their grain to Senwes, the grain procurers of Senwes would have to be contacted.
- 14.4. Clients may authorise persons in terms of the prescribed form to sign delivery instructions on their behalf.

Should you require any further information, kindly contact Graham Lottering, Operational Manager, at (018) 464-7625.



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**MANAGER SILO OPERATIONS  
GB LOTTERING**

**Familiarise yourself with the declaration on the reverse of the Grain Delivery Instruction**

**CHEMICAL DECLARATION**

**Annexure 1**

I, the undersigned,

Initials and surname: \_\_\_\_\_

Name of farm: \_\_\_\_\_

Postal address: \_\_\_\_\_

Client no.: \_\_\_\_\_

who is of the intention to deliver grain at the following Senwes silos:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

hereby note the application of **chemical substances and limitations in respect thereof**, as contained in the Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947 or any other applicable legislation.

I am aware of the fact that:

1. Legal requirements apply in respect of the use of certain herbicides, insecticides and various other agricultural chemicals and the residue levels of the relevant products which may be available in the product and which may be applied.
2. I must acquaint myself with the legal requirements and that I have to comply with the standards as set out therein.
3. I am obliged to submit this declaration of compliance to Senwes before any deliveries may be made and I hereby declare that I have complied with the regulations and that I have not applied any illegal substances and/or incorrect dosages and that I have not applied legal substances at incorrect times.
4. Senwes shall be entitled to investigate compliance with these requirements and take samples for analysis at any time and at its discretion.
5. Grain which does not comply with the requirements, shall not be accepted and force majeure shall not apply in respect thereof.

SIGNED: : \_\_\_\_\_

PLACE : \_\_\_\_\_

DATE : \_\_\_\_\_

## **HACCP 1.4.5**

### **SUBJECT: PRODUCER CHEMICAL DECLARATION**

#### **PURPOSE**

Declaration by producer in respect of the safe use of chemical substances.

#### **EXTENT**

All grain.

#### **DEFINITIONS**

None.

#### **REFERENCES**

Annual circular regarding harvesting arrangements.

#### **RESPONSIBILITY AND AUTHORITY**

##### **Silo Manager**

Receives producer's undertaking in respect of chemical applications, controls the agricultural chemicals used and checks for any deviating chemical product.

##### **Intake operator**

Separate storage of contaminated product

#### **DOCUMENTS**

Circular letters regarding Summer and Winter Grain harvesting arrangements

#### **RECORDS**

Undertaking in respect of chemical applications.

Record in respect of chemical applications [passport] (for IP products only).

Inventory of producers who have already handed in their chemical declarations.

#### **INSTRUCTION**

Take note of chemical substances and limitations in respect thereof on grain to be delivered, as contained in the Agricultural Product Standards Act (1990)

I (Seller) am aware of the fact that:

1. It is placed on record that legal requirements have been set regarding the use of certain herbicides, pesticides, insecticides and various other agricultural chemicals and the application thereof.
2. The Seller must familiarise himself with the legal requirements and that he has to comply with the standards as set out therein.
3. The Seller shall be obliged to submit a statement of compliance to the Buyer before delivery in which he states that he has complied with the requirements and that he has not used illegal substances and/or applied incorrect dosages or applications of legal substances at incorrect times.
4. The Buyer shall, at any time and at his discretion, be entitled to launch an investigation into compliance with the requirements and to take samples for analysis.
5. Grain which does not meet the requirements shall not be accepted for delivery and force majeure shall not apply in respect thereof.

**GRAIN SPRAYED WITH THE INCORRECT TYPE OR DOSAGE OF CHEMICALS MAY BE DELIVERED TO THE SILO AND THE FOLLOWING PROCEDURES SHOULD BE FOLLOWED TO PREVENT FURTHER CONTAMINATION:**

1. Obtain the undertaking and records in respect of chemical applications from the producer delivering to your silos before harvesting commences and file the documents.
2. Smell the grain at the sample taking point, before it is taken in.
3. Should there be any deviations, take a sample and send it to the Grain Laboratory at Head Office in an air-tight container, for analysis.
4. Store the grain separately in a demarcated area of a store or bag the grain.
5. Store until the results of the analysis are made known by the Grain Laboratory and a recommendation is made.

**USE THE FOLLOWING PROCEDURES TO ADEQUATELY ADVISE PRODUCERS REGARDING CHEMICALS TO BE USED ON GRAIN:**

1. The Agricultural Product Standards Act (1990) has certain requirements regarding the application of certain herbicides, insecticides and various other agricultural chemicals and the residue levels of the relevant products which may be present in the product and which may be applied.
2. The list of registered substances is adjusted on a regular basis as new agricultural chemicals are registered for various applications and it is important for the farmer to stay abreast with any adjustments.
3. Agricultural Research Council's (ARC) Institute for Grain Crops at Potchefstroom (Tel. 018 – 299 6100) and the Small Grain Institute at Bethlehem (Tel. 058 – 307 3400) publish annual guidelines in this regard in the Maize Information Guide and the Manuals for the Production of Small Grain. This publication is made available to producers, free of charge.

**IN ORDER TO COMPLY, THE PRODUCER MUST DO THE FOLLOWING:**

1. Ensure that he familiarises himself with the standards as contained therein.
2. Take note of the label instructions regarding the registration of substances for specific crops in the case of a specific weed, fungus or pest to be controlled.
3. Attend to the type of sprayer, time of application, spray application, limitations in respect of use, ability to mix with other products, safety measures and date of manufacture.
4. The lot number and date of manufacture of the containers must be preserved for purposes of traceability. Should problems be suspected, it will not be possible to take an official sample from a container with a broken seal.
5. Always insist on all recommendations being reduced to writing.
6. Ensure that the agent or representative making recommendations complies with the necessary requirements as prescribed by ACDASA (Agricultural Chemical Distribution Association of South Africa).

**NB: This document must be completed in full****APPLICATION FOR OUT LOADING OF GRAIN**

If a company/partnership/close Corporation/trust, I/We are duly authorised thereto

**BUYER'S CONTACT DETAILS**

Name: \_\_\_\_\_ Tel no.: \_\_\_\_\_  
 Number:       Cell no.: \_\_\_\_\_  
 Contact no.: \_\_\_\_\_ E-mail: \_\_\_\_\_  
 Reference \_\_\_\_\_ Fax no.: \_\_\_\_\_

**CONTACT NUMBER****GRAIN PARTICULARS**

Grain type \_\_\_\_\_ Grade \_\_\_\_\_  
 Silo \_\_\_\_\_ Tonnage \_\_\_\_\_  
 Order No. \_\_\_\_\_

**DISPATCH PARTICULARS**

DESTINATION: NAME _____	BY RAIL _____
ADDRESS _____	SPOARNET ACC NO _____
_____	SIDELINE _____
_____	
TOWN/CITY _____	BY ROAD
	VEHICLE REG. NO. _____
	VEHICLE REG. NO. _____
CONTRACTOR _____	VEHICLE REG. NO. _____
CONTACT PERSON _____	VEHICLE REG. NO. _____
CONTACT NO. _____	

**GENERAL CONDITIONS**

1. Senwes reserves the right to withhold an outloading instruction until the buyer's financial obligations at Senwes have been met.
2. Application for out loading instructions must be completed in full and sent to the Senwes head office.
3. Delivery arrangements must be made with the silo involved at least 10 working days in advance. An out loading instruction number does not mean that the consignment can be taken to the silo for out loading without any prior arrangements. A date and time have to be fixed for the out loading.
4. Senwes shall not supply any out loading instructions to a third party.
5. **The buyer indemnifies Senwes against any damage which could possibly be suffered due to incorrect out loading instruction particulars provided to the transporter. The buyer will remain responsible for the provision of information to the transporter. The buyer must authorise Senwes to make information known regarding any instructions to the transporter. However, Senwes is not obliged to provide such information and the authorisation does not affect the Buyer's obligations in this regard.**
6. Should the buyer not be issued with an out loading number within 3 working days after having applied for an out loading instruction, the buyer should contact the above persons in this regard.

Annexure 3



**Farmers' Stock Transfer**

I, \_\_\_\_\_

Client number: \_\_\_\_\_

Hereby grant permission to (Silo): \_\_\_\_\_

To deliver or transfer some of my farmers' stock to the following entities:

Entity: \_\_\_\_\_ Client no: \_\_\_\_\_

Type of grain: \_\_\_\_\_

Grade: \_\_\_\_\_

Mass: \_\_\_\_\_

**Conditions:**

All costs (handling, storage and transfer costs) are for the account of the 1st Client.

- Wheat which does not comply with the original grade upon delivery to the registered owner will be adjusted (graded up or down). Should a lower grade be delivered to the registered owner, an adjusted payment will be made to the registered owner, while the registered owner, in turn, will make an adjusted payment to Senwes should a higher grade wheat be delivered to him at the time of withdrawal of the wheat.
- The calculation of the adjusted payment between die registered owner and Senwes on the day of withdrawal will be based on the price difference with grade B1 as general basis.

Remaining stock must be sufficient to serve as security for Acc 400.

**SENWES reserves the right to decrease the transfer mass in order to ensure sufficient security for Acc 400.**

Should you have any enquiries regarding transfers/accounts, kindly telephone: Leon Kleynhans at (018) 464 7685.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_